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POLICY PLANNING STAFF

176th Meeting

Tuesday, May 11, 1948
9:00 a.m. to 11:00 a.m.

Present: George Kennan
George Butler
John Davies
Bernard Gufler
Carlton Savage
Henry Villard

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Norman Armour, G
Paul C. Daniels, ARA
John C. Dreier, IA

Messrs. Armour, Daniels and Dreier attended this regular briefing meeting to inform the Staff about the results of the Bogotá Conference.

Mr. Dreier outlined the provisions of the Charter of the Organization of American States. He described the principal organs of the organization and their functions. The Charter establishes the regional organization of the American Republics on a treaty basis. The treaty requires ratification by usual procedure of the U.S. Senate.

Mr. Daniels described conference work on economic questions. A resolution on economic cooperation was adopted, but proposals relating to the implementation of economic cooperation will be considered at an Inter-American Economic Conference to be held at Buenos Aires during the last quarter of 1948 or the first quarter of 1949.

Preparatory work for the Buenos Aires Economic Conference is to be initiated immediately by the

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Economic Council of the Organization which has its headquarters in Washington. The membership of the Economic Council is supposed to be made up of qualified economists from each of the 21 Republics.

The resolution on economic cooperation, after endorsing the necessity for such cooperation and mentioning general principles, sets forth provisions regarding the treatment of foreign capital. One very controversial question was that dealing with expropriation. A group of countries headed by Mexico wanted expropriation to be governed entirely by the constitutional provisions in each country. The United States took the stand that U.S. Senate ratification probably would not be possible unless there were recognition of the principle of prompt, effective and adequate compensation in case of expropriation. The vote on this question was very close--10 to 9 in favor of the U.S. position. Both Mr. Armour and Mr. Daniels emphasized the importance of the step, which gives treaty status to the principle of fair compensation in case of expropriation. However, there probably will be reservations on the part of several of the American governments.

The anti-Communist and anti-totalitarian resolution is a strong one. Mr. Daniels expressed the opinion that it would result in some of the American Republics in additional measures to check and control subversive, particularly Communist, activities. He said that he assumed the United States would cooperate in a program of exchange of information and similar measures designed to combat Communist and other subversive activities. ARA will immediately start work to carry out these cooperative programs.

There was little discussion of military questions or hemisphere defense plans at the Conference. A military advisory staff was provided for; and the present Inter-American Defense Board will continue its work, although not as an official organ of the Organization of American States. If legislation for military assistance to foreign Governments (Title VI) is enacted on an interim basis during this session of the Congress, it is unlikely that any effort will be made to secure enactment of the pending bill to provide for standardization of arms and training among the American Republics.

The third conference instrument which will require Senate ratification is a resolution regarding equal rights for women.

Both Mr. Armour and Mr. Daniels expressed the opinion that the results of the Conference are satisfactory and that the attitude of the other American Republics toward the United States, as reflected at the Conference, is generally cooperative and friendly. Mr. Armour pointed out that this is the first Inter-American Conference at which Argentina did not oppose the United States pointedly and consistently. He said that the Argentine Delegation was generally well disposed and cooperative.

Both Mr. Armour and Mr. Daniels agreed that the revolutionary violence of April 9 resulted in drawing the Delegations closer together and in speeding up the businesslike handling of work during the latter part of the Conference.

S/P:GHButler:mhw